



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0691	<input checked="" type="checkbox"/>	Title:	Create Montana Film Arts Program
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Primary Sponsor:	Villa, Dan	Status:	As Introduced
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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund (01)	\$201,021	\$201,047	\$201,073	\$201,100
Revenue:				
General Fund (01)	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$201,021)</u>	<u>(\$201,047)</u>	<u>(\$201,073)</u>	<u>(\$201,100)</u>

Description of fiscal impact: HB 691 appropriates \$400,000 to the Office of Public Instruction to award grant funding to implement a Montana film arts program in a high school or middle school. In addition, the OPI will incur costs of about \$1,000 annually associated with the administration of the program.

FISCAL ANALYSIS

Assumptions:

- HB 691 appropriates \$400,000 from the state general fund to the Office of Public Instruction (OPI) to provide a grant to an eligible school district to implement a Montana film arts program at the middle or high school level.
- HB 691 requires that OPI develop application criteria and make an application available to schools prior to July 1, 2007. The application must be awarded by August 1, 2007.
- The bill creates a film arts scholarship account in the state special revenue fund for the purpose of providing scholarships to graduates of a high school film arts program. The source of funding to this account is any revenue collected from the production and marketing of film arts projects. It is assumed that no monies will be generated for the scholarship fund in the 2009 biennium. Since this program has

not existed in the past, there is no way to determine how much money could be brought into this account from the production and marketing of film arts projects to fund scholarships.

4. To administer this program, OPI will need a 0.02 FTE program accountant (Band 5 market) at \$676. Benefits for this position are projected to be \$345 for a total annual personal services cost of \$1,021. It is assumed for this fiscal note that salaries would increase at a rate of 2.5% per year.
5. It is assumed the grant program would be an on-going appropriation continuing in the 2011 biennium.

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.02	0.02	0.02	0.02
<u>Expenditures:</u>				
Personal Services	\$1,021	\$1,047	\$1,073	\$1,100
Grants	<u>\$200,000</u>	<u>\$200,000</u>	<u>\$200,000</u>	<u>\$200,000</u>
TOTAL Expenditures	<u><u>\$201,021</u></u>	<u><u>\$201,047</u></u>	<u><u>\$201,073</u></u>	<u><u>\$201,100</u></u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$201,021	\$201,047	\$201,073	\$201,100
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$201,021)	(\$201,047)	(\$201,073)	(\$201,100)

Technical Notes:

1. HB 691 requires the Office of Public Instruction to develop grant application procedures prior to receiving the appropriation for FY 2008. There are no existing staff resources available for these duties.
2. It is unusual to give preference for funding to the earliest grant applicant as indicated in Section 1(4) of HB 691. Selection criteria are usually focused upon determining the project with the most merit.

Sponsor's Initials

Date

Budget Director's Initials

Date